

MISSOULA
Independent

EXHIBIT 1
DATE 3-3-2009
SB SB 296

SB 296

AN ACT REVISING THE PUBLICATION REQUIREMENTS FOR MUNICIPALITIES SO THAT APPLICABLE NOTICES MAY BE PUBLISHED IN NEWSPAPERS OF GENERAL CIRCULATION AMENDING SECTIONS 7-1-4121 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Purpose

SB 296 allows newspapers that distribute free copies to compete for municipal government legal notices. It will introduce more competition for government legal notices in several Montana cities, creating an opportunity for taxpayers to save money. At the same time, it improves the consistency of the public notice statutes. County governments can already place their public notices in free papers.

History

SB 296 follows measures introduced during the last two legislative sessions to allow newspapers using a free distribution strategy to compete for county government legal notices. In 2004, the legislature changed the law for county legal notices, but a lobbyist for Lee Enterprises and the Montana Newspaper Association later complained that a corresponding statute governing county printing contracts also needed revision. The Montana Newspaper Association and the Montana Association of Counties collaborated to cure that defect during the 2006 session. This bill simply extends the same criteria established for county governments to municipalities.

Justification

Substantial free newspapers currently exist in Billings, Kalispell, Butte, Helena, Sidney and Missoula. There may be others as well. By welcoming these publications to compete for the publication of legal notices, taxpayers stand to save some money. In addition, the current restrictions barring free newspapers from bidding to publish public notices seem fundamentally unfair and serve no genuine purpose. And eliminating inconsistencies among the various public notice statutes seems inherently worthwhile.

Amendments

MACo objected to the SB 296 as it was originally drafted because it appears to make county governments responsible for processing sworn statements of circulation on behalf of the municipalities and the state. The amendments made by the Senate effectively work around that objection. In light of MACo's concerns and the short time frame available, an amendment to satisfy the filing requirement for the state looks to be out of reach at this point. Consequently, the most constructive course of action would be to pass the bill in its current form, leaving MACo, the state, and the newspapers to work out a solution for the state's notices during the 2011 session.